

FY 2022

HUMAN RESOURCES

Proposed Budget

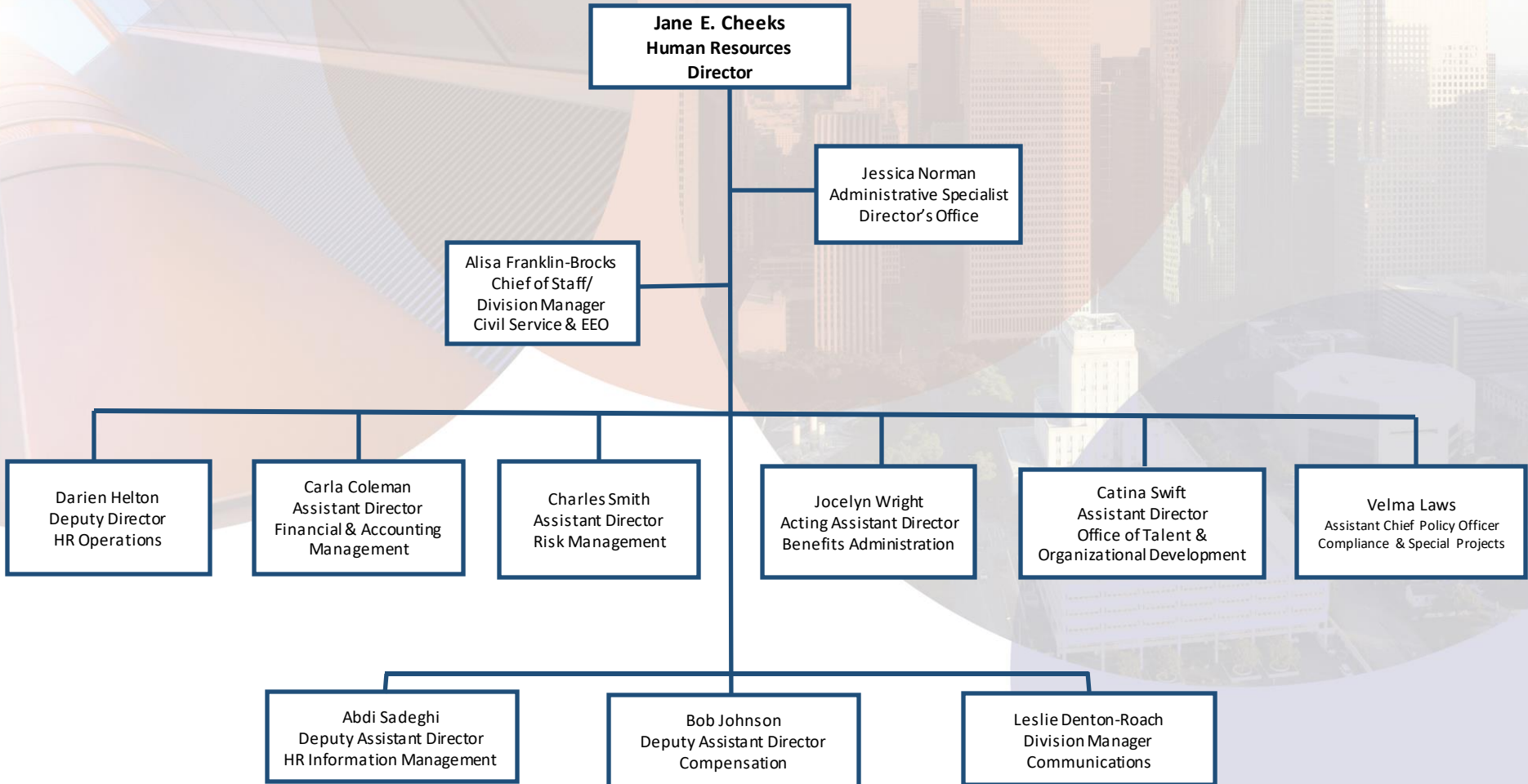


Jane E. Cheeks
Human Resources Director

Carla Coleman
Assistant Director

HUMAN RESOURCES ORGANIZATIONAL CHART

Organizational Chart



HUMAN RESOURCES DEPARTMENT

Programming

The Human Resources Department is a customer service driven and administrative support branch of the City of Houston. We provide opportunities for transformational public service careers that create meaningful impact on the job and in the community.

We value transparency, encourage innovation, embrace technology, and strive for continual improvement.

HUMAN RESOURCES DEPARTMENT

Statutory Requirements

The Human Resources discipline includes, but is not limited to recruitment, benefits, labor relations, compensation, risk management, and operations. The field of human resources is highly regulated, and each function is uniquely governed by federal, state, and local laws, such as:

- ☐ Code of Ordinance - Chapter 14
- ☐ Civil Rights Act of 1991
- ☐ Drug-Free Workplace Act of 1988
- ☐ Equal Employment Opportunity Commission
- ☐ Labor Agreements
- ☐ Equal Pay Act
- ☐ Fair Labor Standards Act of 1938
- ☐ Family Medical Leave Act of 1993
- ☐ Health Insurance Portability and Accountability Act
- ☐ Civil Rights Act of 1991

HUMAN RESOURCES FUNCTIONAL CHART

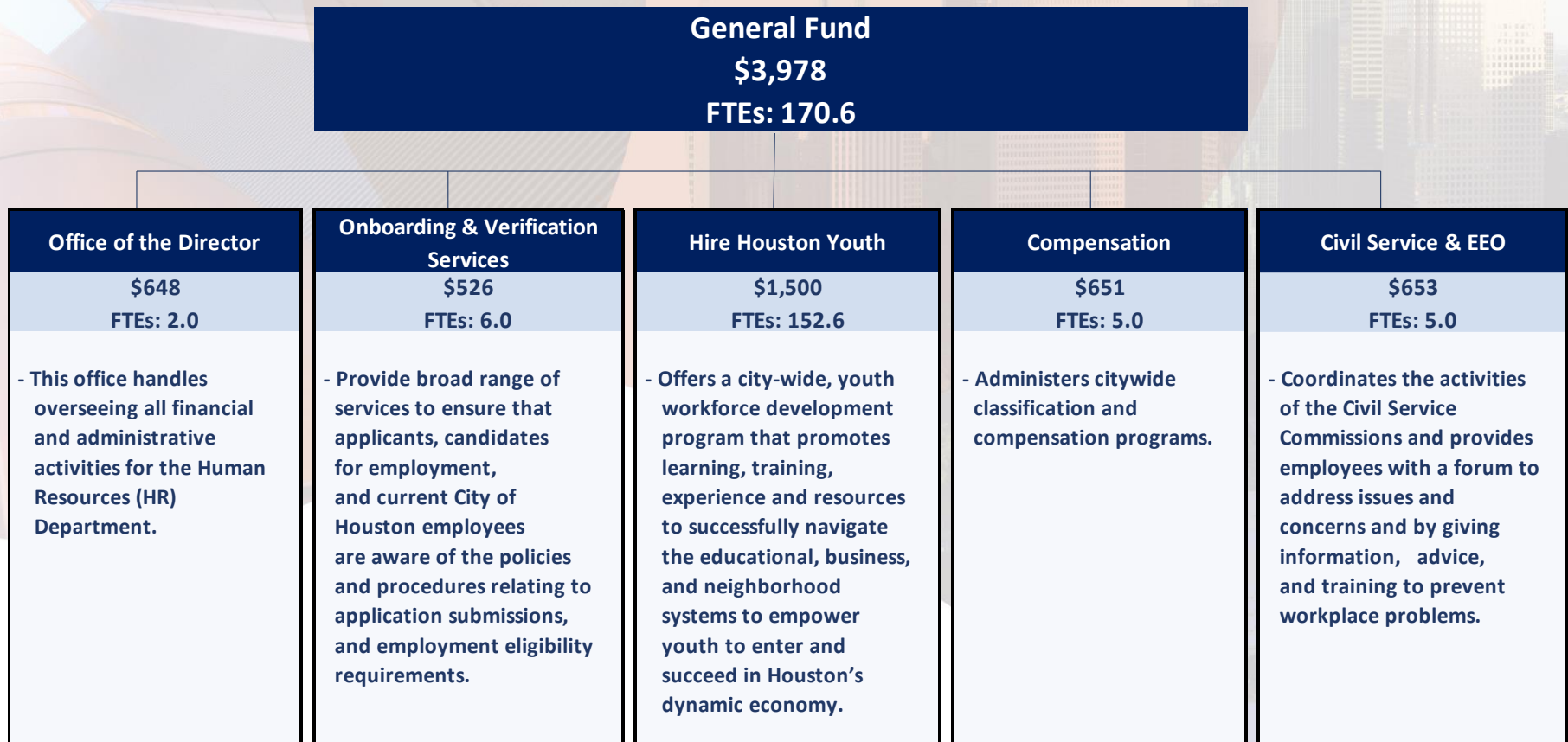
(\$ in thousands)

Human Resources \$491,086 FTEs: 459.6				
General Fund	Central Service Revolving Fund	Workers' Compensation Fund	Health Benefits Fund	Long Term Disability Fund
\$3,978 FTEs: 170.6	\$31,842 FTEs: 178.0	\$38,988 FTEs: 60.0	\$414,810 FTEs: 51.0	\$1,468 FTEs: 0.0
<ul style="list-style-type: none"> - Director's Office - Onboarding & Verification Services - Hire Houston Youth - Compensation - Civil Service & EEO 	<ul style="list-style-type: none"> - Contingent Workforce - Client Services - Physical Exam & Drug Testing - HR Financial & Accounting Management - HR Information Management - Office of Talent & Organizational Development 	<ul style="list-style-type: none"> - Safety - Workers' Compensation - HR Financial & Accounting Management 	<ul style="list-style-type: none"> - Strategic Benefits Administration & Operations - Strategic Benefits Planning & Design - Wellness - Employee Assistance Program - Communications - HR Information Management - HR Financial & Accounting Management 	<ul style="list-style-type: none"> - Long Term Disability

HUMAN RESOURCES FUNCTIONAL CHART

General Fund - 1000

(\$ in thousands)



HUMAN RESOURCES FUNCTIONAL CHART

Central Service Revolving Fund - 1002

(\$ in thousands)

Central Service Revolving Fund \$31,842 FTEs: 178.0		
Contingent Workforce Services	Client Services	Office of Talent & Organizational Development
\$9,363 FTEs: 2.0	\$20,180 FTEs: 157.0	\$2,299 FTEs: 19.0
<ul style="list-style-type: none"> - Handles hiring contractual, temporary personnel. - Enhances strategy for peak loads, pilot programs, grants, citywide events, and special needs. - Temporary employment agencies source contingent workers qualified in healthcare, professional, technical, IT, administrative, and service/maintenance fields. 	<ul style="list-style-type: none"> - A combined entity that initiates and leans on Human Resources practices and objectives. - Fosters an employee oriented, high-performance culture that emphasizes goal attainment, team spirit, superior customer service, quality work, high efficiency and productivity. 	<ul style="list-style-type: none"> - Strategic partner that addresses departmental needs by developing programs that attract, develop, retain, and engage a skilled and diverse workforce.

HUMAN RESOURCES FUNCTIONAL CHART

Workers' Compensation Fund - 1011

(\$ in thousands)

Workers' Compensation Fund

\$38,988
FTEs: 60.0

Safety	Workers' Compensation	WC Finance
\$3,548 FTEs: 32.0	\$34,832 FTEs: 23.0	\$607 FTEs: 5.0
<ul style="list-style-type: none">- Responsible for establishing and maintaining a safe and healthful workplace in accordance with Texas statutes.	<ul style="list-style-type: none">- Responsible for establishing procedures to ensure compliance with the Texas Workers' Compensation Act and all federal, state, and local requirements related to employees injured on the job.	<ul style="list-style-type: none">- Supports division with buying, managing, and planning for expenditures necessary to carry out strategic decisions.

HUMAN RESOURCES FUNCTIONAL CHART

Health Benefits Fund - 9000

(\$ in thousands)

Health Benefits Fund \$414,810 FTEs: 51.0			
Benefits Administration \$6,123 FTEs: 32.0	Employee Assistance Program \$755 FTEs: 4.0	Communications \$855 FTEs: 8.0	Benefits Financial Reporting \$407,077 FTEs: 7.0
<ul style="list-style-type: none"> - Administers, maintains, and communicates City sponsored benefits by utilizing a customer focused approach for employees, retirees and their dependents to create a healthy culture throughout the City of Houston. - Develops and provides strategic direction of the Benefits Program that includes the Healthcare Delivery System and other employee health and wellness plans. Handles the management of all employee data. 	<ul style="list-style-type: none"> - Provides confidential assessment, referral, and short-term counseling to City employees with personal concerns that may adversely affect work performance. 	<ul style="list-style-type: none"> - Provides employees and retirees with information regarding City news, health benefits, wellness, and safety programs. 	<ul style="list-style-type: none"> - Supports division with buying, managing, and planning for expenditures necessary to carry out strategic decisions.

HUMAN RESOURCES FUNCTIONAL - CHART

Long-term Liability Fund - 9001

(\$ in thousands)

Long Term Disability

\$1,468

FTEs: 0.0

Benefits Administration

\$1,468

FTEs: 0.0

- Administers, analyzes, and funds the city's Long-Term Disability Plan for eligible employees.

REVENUES BY FUNDS

(\$ in thousands)

FUND	FY2020 Actuals Budget	FY2021 Current Budget	FY2021 Estimate	FY2022 Proposed Budget	FY22 Prop Bud vs. FY21 Est Incr/(Decr)	% Change
General Fund (1000)	\$0	\$0	\$0	\$0	\$0	0.0%
Central Services Revolving Fund (1002)	24,100	28,666	26,379	31,842	5,463	20.7%
Workers Compensation Fund (1011)	29,583	33,043	32,967	39,267	6,300	19.1%
Health Benefits Fund (9000)	376,720	418,227	389,455	415,208	25,753	6.6%
Long Term Disability Fund (9001)	1,463	1,448	203	783	580	285.7%
Total	\$431,866	\$481,384	\$449,004	\$487,100	\$38,096	8.5%

REVENUE HIGHLIGHTS

(\$ in thousands)

- **Central Services Revolving Fund 1002** - Increase of \$5,463 or 20.7%
 - Due to additional Contingent Workforce Contract only for Special, Enterprise and Grant Funds.
- **Workers' Compensation Fund 1011** - Increase of \$6,300 or 19.1%
 - Due to Catastrophic claims increases including COVID-19
- **Health Benefits Fund 9000** – Increase of \$25,753 or 6.6%
 - Due to Claim increases including COVID-19; and,
 - Contractual rate increases of 3.44% in Cigna medical plans
- **Long Term Disability Fund 9001** - Decrease of \$580 or 285.7%
 - Due to rate reduction of \$3.76 from \$7.06 per month per eligible employee

EXPENDITURES BY FUNDS

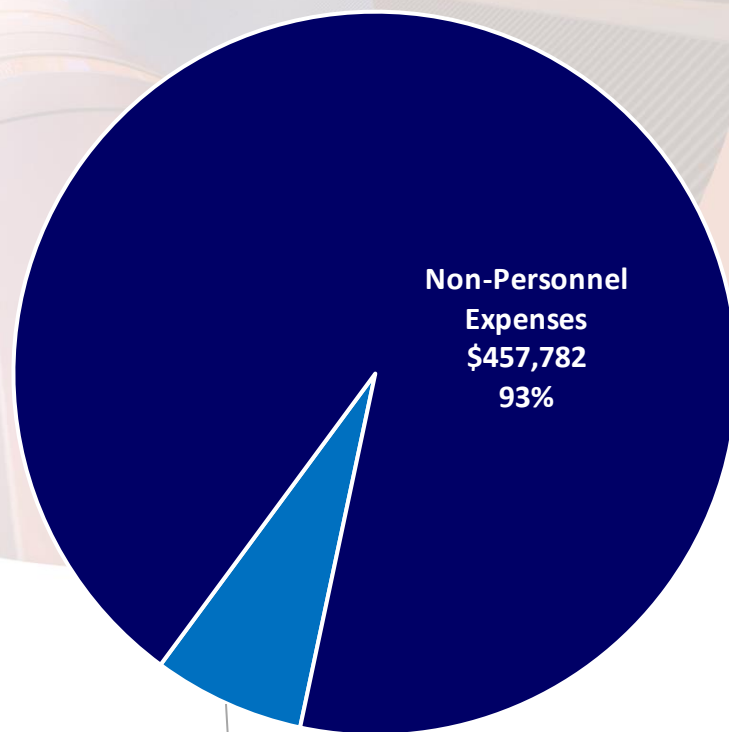
(\$ in thousands)

FUND	FY2020 Actuals Budget	FY2021 Current Budget	FY2021 Estimate	FY2022 Proposed Budget	FY22 Prop Bud vs. FY21 Bud Incr/(Decr)	% Change
General Fund (1000)	\$2,383	\$2,981	\$2,924	\$3,978	\$997	33.4%
Central Services Revolving Fund (1002)	24,100	28,666	26,379	31,842	3,176	11.1%
Workers Compensation Fund (1011)	29,583	32,769	32,769	38,988	6,219	19.0%
Health Benefits Fund (9000)	374,779	416,762	402,299	414,810	(1,952)	(0.5%)
Long Term Disability Fund (9001)	1,573	1,493	1,450	1,468	(25)	(1.7%)
Total	\$432,418	\$482,671	\$465,821	\$491,086	\$8,415	1.7%

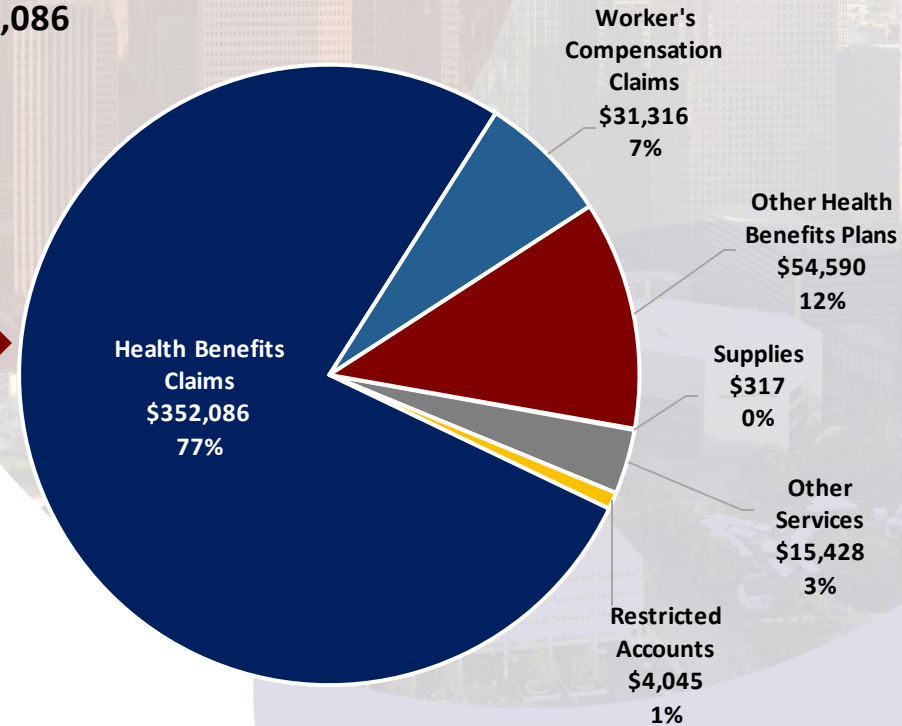
FY 2022 PERSONNEL VS. NON-PERSONNEL

Human Resources Department - Combined

(\$ in thousands)

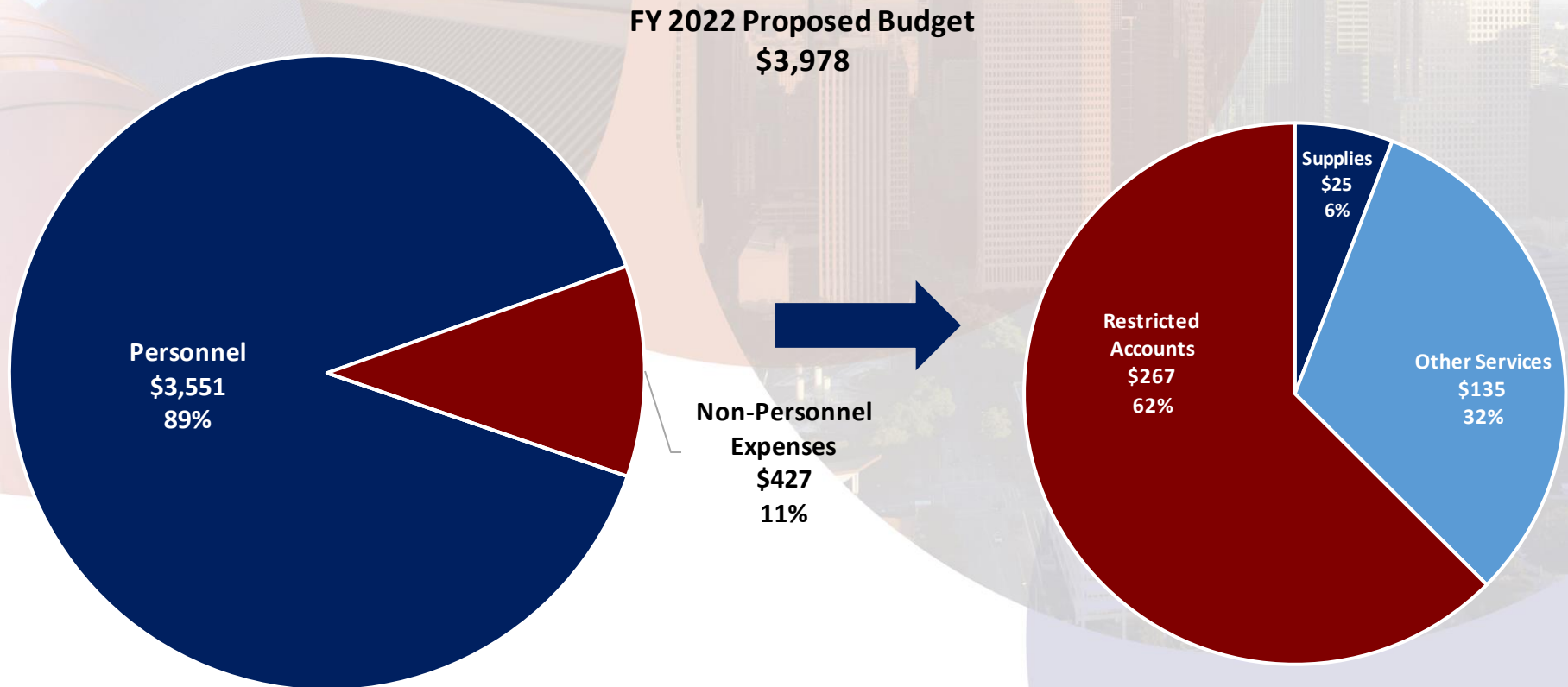


FY 2022 Proposed Budget
\$491,086



FY 2022 PERSONNEL VS. NON-PERSONNEL General Fund 1000

(\$ in thousands)

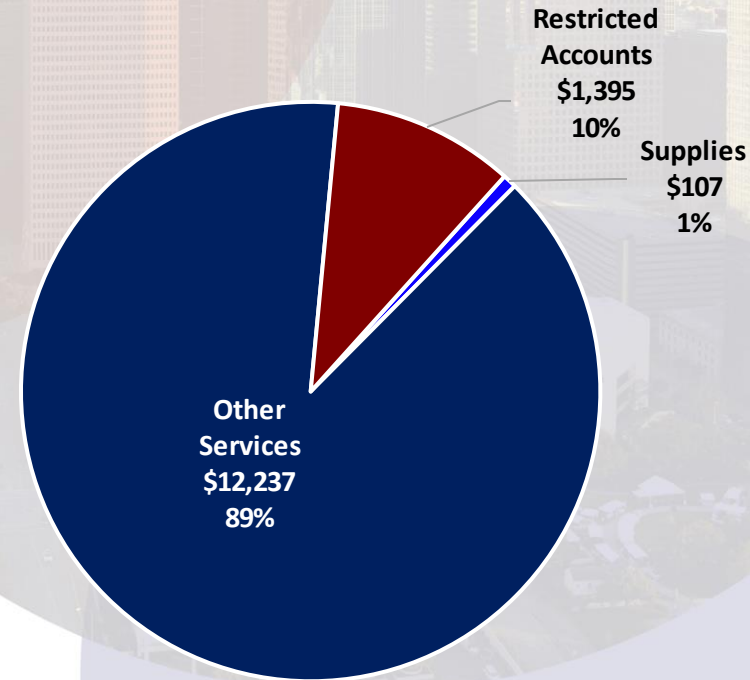
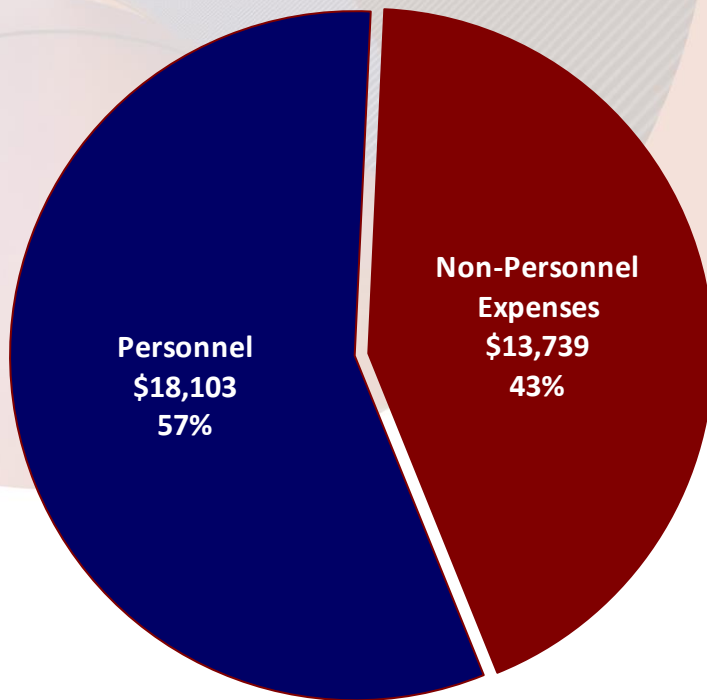


The budget includes \$1.5M for Hire Houston Youth

FY 2022 PERSONNEL VS. NON-PERSONNEL Central Service Revolving Fund 1002

(\$ in thousands)

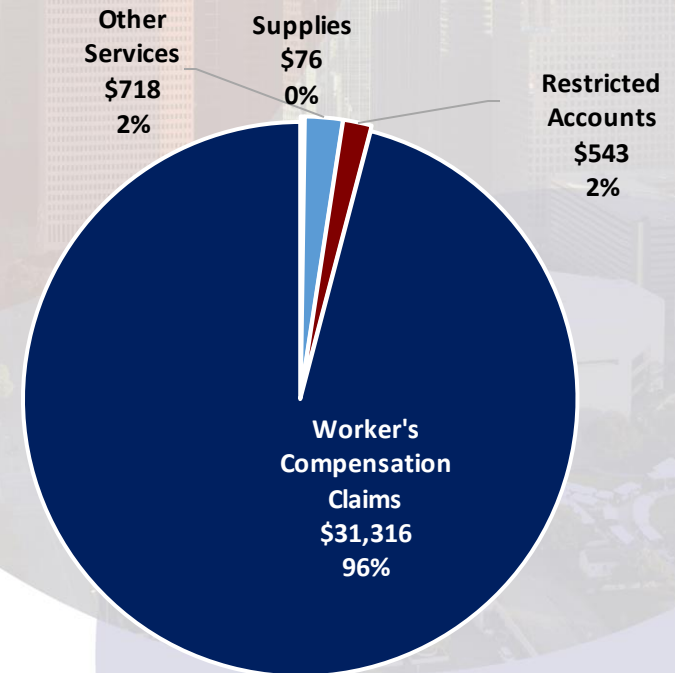
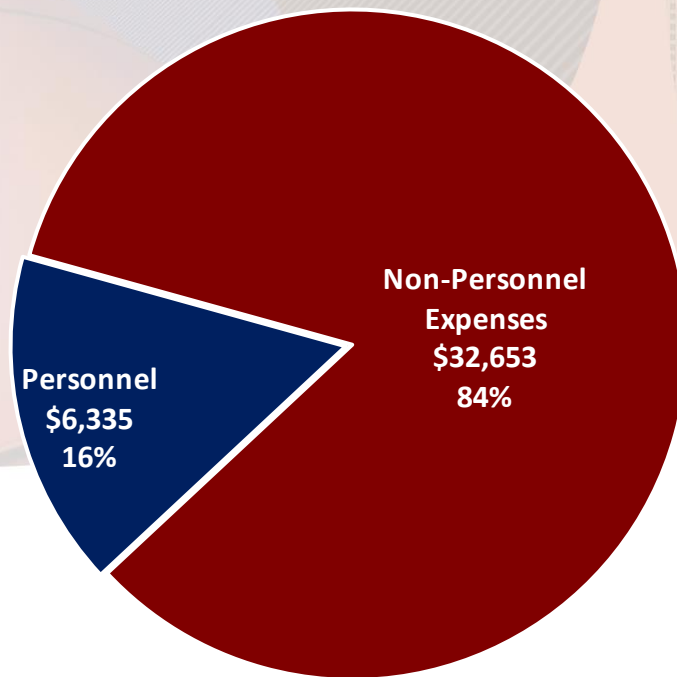
FY 2022 Proposed Budget
\$31,842



FY 2022 PERSONNEL VS. NON-PERSONNEL Workers' Compensation Fund 1011

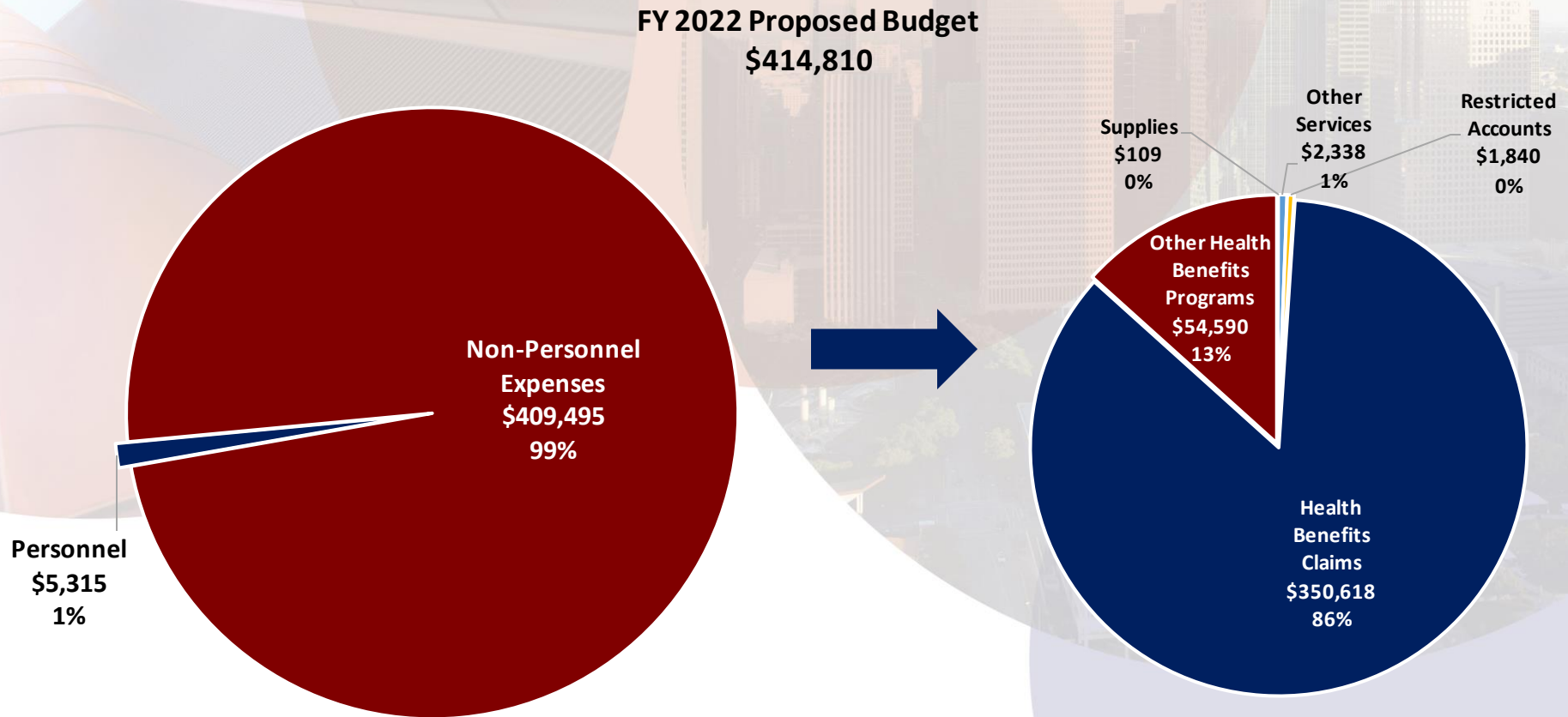
(\$ in thousands)

FY 2022 Proposed Budget
\$38,988



FY 2022 PERSONNEL VS. NON-PERSONNEL Health Benefits Fund 9000

(\$ in thousands)



FY 2022 PERSONNEL VS. NON-PERSONNEL Long-term Liability Fund 9001

(\$ in thousands)

**FY 2022 Proposed Budget
\$1,468**

**LTD Claims and
TPA* Fees
\$1,468
100%**

* Third Party Administrator

FY 2022 – EXPENDITURE HIGHLIGHT

(\$ in thousands)

- **General Fund 1000** - Increase of \$997 or 33.4%
 - Hire Houston Youth
- **Central Services Revolving Fund 1002** - Increase of \$3,176 or 11.1%
 - Additional Contingent Workforce Contract for Special, Enterprise and Grant Funds
- **Workers' Compensation Fund 1011** - Increase of \$6,219 or 19%
 - Catastrophic claims increases
- **Health Benefits Fund 9000** - Decrease of \$1,952 or .5%
 - Lower retiree expenses resulting from better negotiated Medicare Advantage plan rates
- **Long Term Disability Fund 9001** - Decrease of \$25 or 1.7%
 - Slight decrease due to rate reductions

FY 2022 BUDGET EXPENDITURES – Net Change

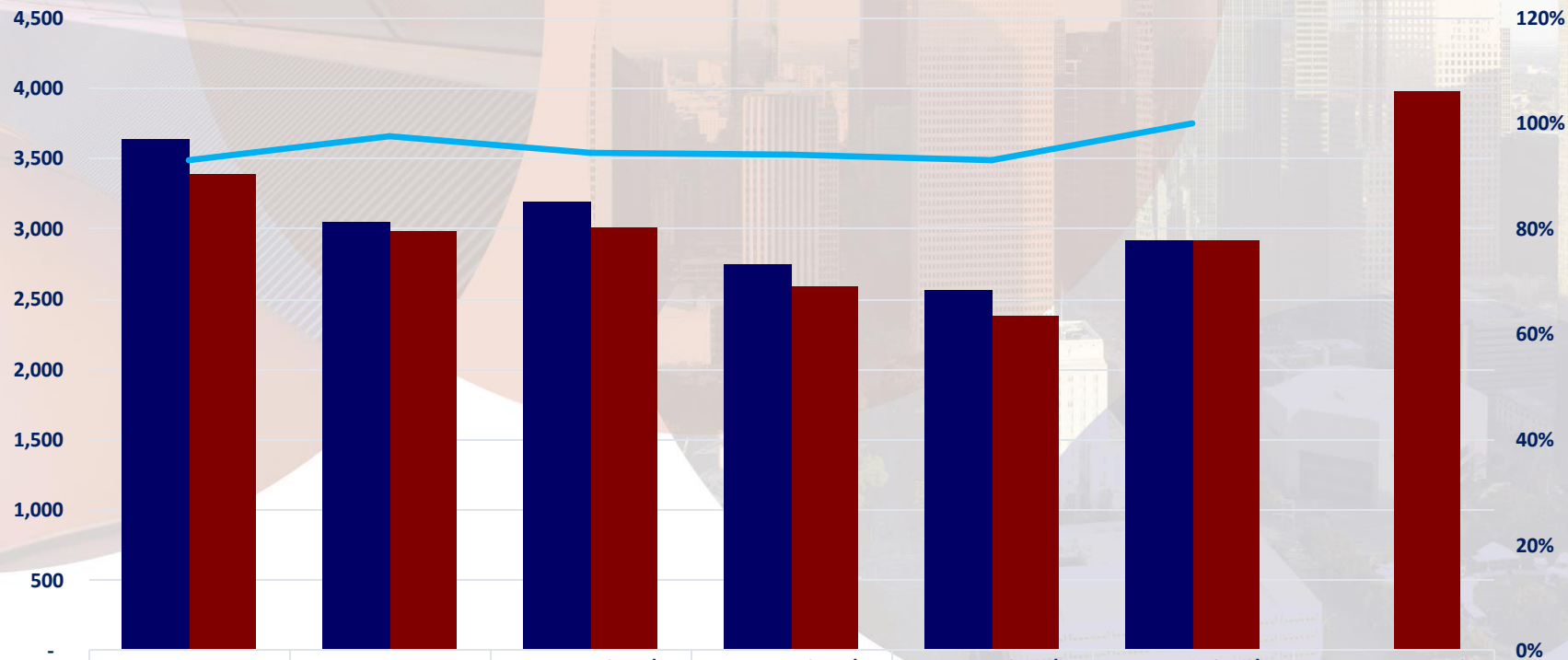
General Fund 1000

FY2021 Current Budget		Notes
Operating Budget	\$ 2,260	
Hire Houston Youth	584	1
Restricted Budget	259	2
One-time Adjustments		
Temperature Screening Redeployment	\$ (115)	3
Others	\$ (7)	4
One-time Adjustments	\$ (122)	
FY2021 Current Budget less One-time Adjustments	\$ 2,981	
Explanation of FY2022 Incremental Increase/(Decrease)		
Operating Budget Adjustments		
Budget reduction initiatives	(63)	
Subtotal Operating Budget Adjustments	\$ (63)	
One-time Adjustments		
Temperature Screening Redeployment	\$ 115	3
Others	\$ 7	4
One-time Adjustments	\$ 122	
Total Operating Budget Changes	\$ 59	
% Change from FY21 Operating Budget (excluding one-time adj)	(2.8%)	
Contractual or Mandated Adjustments:		
Health Benefits Active Civilian	\$ (12)	
Long Term Disability	(1)	
Municipal Pension	27	
Restricted Accounts	8	2
Hire Houston Youth	916	1
Subtotal Contractual/Mandated Increases	\$ 938	
FY2022 Proposed Budget		
FY2022 Proposed Budget	\$ 3,978	
% Change from FY2021 Current Budget Excluding One-time Adj	28.2%	
% Change from FY2021 Current Budget	33.5%	
Notes:		
1. Hire Houston Youth summer program (from June thru August)		
2. Restricted Budget includes service chargeback accounts for items such fuel, electricity, IT		
3. One-time adjustment for redeployment cost covered by the CRF Fund in FY2021		
4. Includes one-time adjustments for Health Benefits		

HUMAN RESOURCES BUDGET HISTORY

General Fund 1000

(\$ in thousands)



	FY16 Budget/ Actual	FY17 Budget/ Actual	FY18 Budget / Actual	FY19 Budget / Actual	FY20 Budget / Actual	FY21 Budget/ Estimate	FY22 Proposed Budget
Current Budget	3,637	3,056	3,189	2,752	2,564	2,924	
Actual/Estimate	3,390	2,981	3,018	2,590	2,383	2,924	3,978
Percent Budget Spent	93%	98%	95%	94%	93%	100%	

FTE's	35.0	28.8	27.5	20.5	18.0	307	459.6
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HUMAN RESOURCES DEPARTMENT

Budget Reductions

(\$ in thousands)

General Fund (1000)	FY 2019	FY 2020	FY 2021	FY 2022 Proposed Budget
Current Budget	\$2,752	\$2,564	\$2,981	\$3,978
Actual/Estimate	2,590	2,383	2,924	3,978
Remaining Budget	\$162	\$181	\$57	\$0
<i>Percent Budget Spent</i>	94%	93%	98%	100%
<i>Budget Increases/ (Reductions)</i>	(\$437)	(\$188)	\$417	\$997



THANK YOU



APPENDIX

RESTRICTED ACCOUNT DETAILS

GL Description	Justification & Cost Drivers
Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing
Application Services	Costs include Microsoft Enterprise licenses, 3-1-1 maintenance support and applications, SAP licenses maintenance and support, various Enterprise Application and Server support personnel, CSMART (MCD Only), eSignature, Project Management, Infor, eDiscovery, Cyber Security Office software and support, HITS Budget support via the Finance Department, eSignature
Insurance Fees	Cost increase for property insurance premium.
Electricity	Responsible for administering the electricity accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Electricity expenses are projected to be lower than the previous year as a function of the competitive bidding process.
Natural Gas	Responsible for administering the natural gas accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Natural gas expenses are projected to be lower than the previous year due to current market conditions and locking in a rate favorable to the City.
Data Services	Costs associated with software and maintenance support contracts required to maintain city networks, applications, desktop devices, servers, payment card industry security, storage devices, cloud services, telephone systems and network equipment including Phonoscope circuits. Contracts cover Antivirus, Firewall and Network backup systems. Also, the Data Center costs are included in the Data Services restricted account.
Voice Services	Monthly costs for Voice/Communication Services. The services include: Local landlines, voice/data circuits, long distance, 1-800 numbers, calling cards, language lines, Citywide ISP/Internet Access. The major vendors are ATT, Department of Information Resources (DIR), Verizon and Century Link.
Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling. The sole vendor is Selrico.
GIS Revolving Fund Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
Voice Services - Wireless	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund HR Client Services	Include HR operation cost reflecting health benefits and restricted accounts increase.
KRONOS Service Chargeback	Software license and maintenance costs associated with the city of Houston's Time and Attendance System (KRONOS)
Drainage Fee Service Chargeback	Fee is based on impervious service.
Interfund Permit Center Rent Chargeback	The cost include the HPC Point of Sale cost increase for credit card merchant fee, and lease cost increase.
Interfund Vehicle Services	Provides repair, maintenance, and administrative support for all city departments' rolling stock equipment. Expense explanation - Vehicle Services are projected to increase driven by part cost, contractual increases, and an aging vehicle population.
Interfund Radio System Access	Due to the consolidation of the radio group in General Fund to revolving fund for HITS. This group is responsible for the operation and maintenance of the City's public safety radio system.

HUMAN RESOURCES DEMOGRAPHICS

Race/Ethnicity	Male	Female	Total	%
White	25	24	49	17.7%
Hispanic or Latino	14	39	53	19.1%
Black or African American	31	129	160	57.8%
Asian	1	9	10	3.6%
Native Hawaiian or Others Pacific Islander	0	0	0	0.0%
American Indian or Alaskan Native	0	1	1	0.4%
Two or More Races	0	4	4	1.4%
Total	71	206	277	
	25.6%	74.4%		100%

FY2021 ACCOMPLISHMENTS

Accomplishments

HR COVID-19 Response:

- New and updated citywide policies

- Onboarding 4,000+ plus temporary employees

- Safety collaboration with other City departments

HRONE Kickoff

Electronic Payment for Health Benefits Programs and Records Requests

EAP Response Time

2021 Hire Houston Youth Summer Program

2021 Virtual Combined Municipal Campaign

Privacy Matters Campaign

New Health Benefits Vendors with expanded benefits

New Department deployment with ZIP Training

Purchase of Safety Management Software

RESILIENCE AND CLIMATE ACTION

(\$ in thousands)

High-priority Initiatives or Projects	Resilient Houston Goals/Target/Actions	Climate Action Plan Goal/Target/Action
HRONE - Replacement of HR Core and Benefits Administration infrastructure to an integrated Human Resources system that will engage and increase employee productivity and mobility in order to modernize the business systems at the City.	Accessible & Adaptive City <u>Goal 13</u> (Transform city government to operationalize resilience and build trust). <u>Action 42</u> (Prioritize resilience in city budgeting, procurement and Capital improvement).	Materials Management <u>Goal 1:</u> Reduce waste and transform the circular economy.
Hire Houston Youth (HHY) - Will offer a city-wide, youth workforce development program that offers learning, training, experience and resources to successfully navigate the educational, business, and neighborhood systems to empower youth to enter and succeed in Houston's dynamic economy.	Prepared & Thriving <u>Goal 2</u> (Expand access to wealth-building and employment opportunities). <u>Target 2</u> (Offer HHY summer jobs) <u>Action 7</u> (Prepare Houston's workforce and all young Houstonians for the job of the future).	Materials Management <u>Goal 1:</u> Reduce waste and transform the circular economy.
Employee Assistance Program (EAP) - Provides mental health support to first responders in the form of safety checks, crisis interventions, individual sessions, and family sessions. Monitors first responders on Last Chance Agreements and provides clinical and administrative support, from admission to discharge and aftercare, on necessary hospitalizations.	Prepared & Thriving <u>Goal 3</u> (Improve safety and well-being of all Houstonians). <u>Action 10</u> (Proactively care for Houstonians' mental health).	Materials Management <u>Goal 1:</u> Reduce waste and transform the circular economy.
ZIP Program - "Zero is Possible", a standards-based safety campaign with the primary goal of driving the City's occupational safety awareness and mindset toward zero accidents, zero injuries and zero safety compromises.	Innovative & Integrated <u>Goal 17</u> (Enhance regional emergency preparedness and response). <u>Action 53</u> (Enhance regional preparedness)	Materials Management <u>Goal 1:</u> Reduce waste and transform the circular economy.